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CLERK OF THE BOARD
OF COUNTY COMMISSIONERS
MIAMI-DADE COUNTY, FLORIDA

MEMORANDUM Agenda Item No. 14(A)(19)

TO: Honorable Chairman Dennis C. Moss and Members, Board of County Commissioners

DATE: July 21, 2009

FROM: R. A. Cuevas, Jr. County Attorney

SUBJECT: Resolution directing the County Mayor to study the extent of the County's funding of all Community Redevelopment Agencies and related issues

Resolution No. R-994-09

The accompanying resolution was prepared and placed on the agenda at the request of Prime Sponsor Commissioner Carlos A. Gimenez.

R. A. Cuevas, Jr.
County Attorney

RAC/cp

RESO\2078

MEMORANDUM

(Revised)

TO: Honorable Chairman Dennis C. Moss and Members, Board of County Commissioners

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FROM: R. A. Cuevas, Jr. County Attorney

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Please note any items checked.

✓ **"4-Day Rule" ("3-Day Rule" for committees) applicable if raised**

_____ **6 weeks required between first reading and public hearing**

_____ **4 weeks notification to municipal officials required prior to public hearing**

_____ **Decreases revenues or increases expenditures without balancing budget**

_____ **Budget required**

_____ **Statement of fiscal impact required**

_____ **Bid waiver requiring County Mayor's written recommendation**

_____ **Ordinance creating a new board requires detailed County Manager's report for public hearing**

_____ **Housekeeping item (no policy decision required)**

_____ **No committee review**

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 14(A)(19)
7-21-09

RESOLUTION NO. **R-994-09**

RESOLUTION DIRECTING THE MAYOR OR MAYOR'S DESIGNEE TO STUDY THE EXTENT OF THE COUNTY'S FUNDING OF ALL COMMUNITY REDEVELOPMENT AGENCIES AND RELATED ISSUES AND DIRECTING THE MAYOR OR MAYOR'S DESIGNEE TO PREPARE A WRITTEN REPORT REGARDING SAME ADDRESSING THE IMPACT TO THE COMMUNITY REDEVELOPMENT AGENCIES OF HAVING THE NET SURPLUS FUNDS DEPOSITED INTO COMMUNITY REDEVELOPMENT AGENCIES TRUST FUNDS RETAINED BY OR RETURNED TO THE TAXING AUTHORITIES FOR 2009-2010 AND 2010-2011 FISCAL YEARS AND RECOMMENDING A COURSE OF ACTION WITH RESPECT TO SUCH NET SURPLUS FUNDS

WHEREAS, in 1969, the Florida Legislature enacted Part III, Ch. 163 of the Florida Statutes (the "Act"), which enables local governments to establish community redevelopment agencies ("CRAs") in areas determined to be slum and blight upon a "finding of necessity" and a further finding of a need for a CRA to carry out community redevelopment in a specific geographic area ("Redevelopment Area"); and

WHEREAS, the Act provides for the creation of a redevelopment trust fund (the "Trust Fund") for each CRA, wherein 50 to 95% of the tax increment funds ("TIF"), defined generally as incremental increases in tax revenues from taxable real property in the CRA area which is captured after the base tax year, are to be used to fund redevelopment as authorized by an approved Redevelopment Plan; and

WHEREAS, to date, there are twelve (12) active CRAs in the County, of which nine (9) operate within the following municipalities: Florida City, Homestead, Miami/Doral, Miami Southeast Overtown/Park West, Midtown Miami, Miami Beach/ City Centre, North Miami, North Miami Beach, and South Miami (collectively, the "Municipal CRAs"); and the following three (3) CRAs operate within the Unincorporated Municipal Service Area (UMSA): Naranja Lakes, Northwest 7th Avenue Corridor, and West Perrine (collectively, the "UMSA CRAs", and together with the Municipal CRAs; the "County CRAs"); and

WHEREAS, in addition to the twelve (12) existing County CRAs, the Miami-Dade Board of County Commissioners (the "Board") concurred with the Finding of Necessity Report, among other findings and actions, and found that there exists one or more blighted areas within the N.W. 79th Street Corridor pursuant to Resolution No. R-566-09, although the Trust Fund has not yet been created or funded for the N.W. 79th Street Corridor; and

WHEREAS, upon approval of each UMSA CRA's redevelopment plan, the Board created a Trust Fund by ordinance for each UMSA CRA to, among other things, annually appropriate an amount equal to 50% to 95% of the County's TIF and from which UMSA CRA redevelopment activities may be funded ("UMSA Trust Fund Ordinance"); and

WHEREAS, upon approval of each Municipal CRA's redevelopment plan, the applicable municipality created a Trust Fund by ordinance for each Municipal CRA from which Municipal CRA redevelopment activities may be funded; and

WHEREAS, upon approval of each Municipal CRA's redevelopment plan, the Board enacted an ordinance to, among other things, annually appropriate to each Municipal CRA's Trust Fund an amount equal to 50% to 95% of the County's TIF (each referred to as the "Municipal Trust Fund Ordinance"); and

WHEREAS, while the County CRAs provide an effective method of funding the redevelopment of a specific geographic area within the County, they also serve to redirect significant funds from the County that could possibly be used for other County purposes; and

WHEREAS, the County is experiencing declining tax revenues because of the current economic downturn, which in turn has negatively impacted County services, and has made it necessary to explore alternative ways of generating and retaining County funds; and

WHEREAS, the County is required by the Act to continue contributing TIF to each of the Trust Funds for the County CRAs for so long as each County CRA has outstanding debt; and

WHEREAS, pursuant to Fla. Stat. Section 163.387(3)(b), enacted in 2006, Miami-Dade County and the governing body that created the community redevelopment agency (Miami-Dade County for UMSA CRAs and the municipality within which a Municipal CRA exists), may enter into and amend the applicable interlocal agreements between the County and the Municipality and/or the CRAs to supersede the County's obligation to appropriate to the respective Trust Funds, providing that the taxing authorities provide for the payment of outstanding debt; and

WHEREAS, the County should study the extent of the County's funding of the County CRAs to determine the impact to the County CRAs of having net surplus funds deposited into County CRAs' trust funds returned to or retained by the taxing authorities for the 2009-2010 and 2010-2011 fiscal year for other County or municipal purposes; and

WHEREAS, a city commission, as a taxing authority, has the discretion to pursue a similar reduction in its contribution to any applicable CRA Trust Fund to the extent allowed by law,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that:

Section 1. The foregoing recitals are incorporated in this resolution.

Section 2. This Board directs the Mayor or the Mayor's designee to undertake a study and submit a written report to the Board within thirty (30) days from the date of this resolution, on the status of all County CRAs. Such report shall include: (a) the total amount of TIF contributed by the County and other taxing authorities to each County CRA's Trust Fund for each of the last five County fiscal years; (b) the most current financial information on tax increment districts available through the County's Comprehensive Annual Financial Report; (c) the amount of TIF funds estimated to be provided by the County and other taxing authorities to each County CRA Trust Fund for the 2009-2010 and 2010-2011 fiscal years; (d) the total amount of each County CRA's outstanding obligations, including loans, advances, indebtedness, if any, and interest thereon and its binding contractual obligations; (e) the amount of such outstanding obligations to be paid in fiscal years 2009-2010 and 2010-2011; (f) the amount of cash reserves that will be available to each County CRA for the 2009-2010 and 2010-2011

fiscal years; (g) any net surplus amount of TIF that could be legally available to each County CRA to be returned to the County and/or municipalities within which County CRAs exist for the 2009-2010 and 2010-2011 fiscal years; and (h) any necessary ordinance amendments, resolutions, amendments to interlocal agreements between the County and municipalities within which CRAs are operated, and/or plan agreements necessary to effectuate the return or retention of Net Surplus Funds. For purposes of this resolution, "Net Surplus Funds" means, for each fiscal year, an amount equal to the total amount of TIF that will be in the County CRA's Trust Fund for the 2009-2010 and 2010-2011 fiscal years, estimated appropriations to the Trust Fund for such fiscal years, receivables and other revenues, minus any amount to fund the County CRA's outstanding obligations, including loans, advances, indebtedness, if any, and interest thereon and any binding contractual obligations of the County CRA entered into on or before July 1, 2009 and further excluding any cash reserves as shown in the County CRAs budget approved as of the effective date of this resolution.

Section 3. The Mayor or the Mayor's designee shall also include in the aforementioned report a recommended course of action, including whether the County should take necessary steps to retain or have returned Net Surplus Revenues from County CRAs and the impact of such recommendation on the County CRAs.

The Prime Sponsor of the foregoing resolution is Commissioner Carlos A. Gimenez. It was offered by Commissioner **Joe A. Martinez**, who moved its adoption. The motion was seconded by Commissioner **Rebeca Sosa** and upon being put to a vote, the vote was as follows:

Dennis C. Moss, Chairman **aye**
Jose "Pepe" Diaz, Vice-Chairman **aye**

Bruno A. Barreiro	**aye**	Audrey M. Edmonson	**aye**
Carlos A. Gimenez	**aye**	Sally A. Heyman	**aye**
Barbara J. Jordan	**aye**	Joe A. Martinez	**aye**
Dorrin D. Rolle	**aye**	Natacha Seijas	**aye**
Katy Sorenson	**aye**	Rebeca Sosa	**aye**
Sen. Javier D. Souto	**aye**		

The Chairperson thereupon declared the resolution duly passed and adopted this 21st day of July, 2009. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: **DIANE COLLINS**
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

Prepared by:

Cynthia Johnson-Stacks
Martin Sybblis